

Production and Stipulation of Loan Files and Guidelines in Tranche 3 and 4

November 5, 2013

VIA ECF

The Honorable Denise L. Cote
 Daniel Patrick Moynihan United States Courthouse
 500 Pearl Street, Room 1610
 New York, NY 10007-1312

Re: *FHFA v. Deutsche Bank AG, et al.*, 11 Civ. 6192, *FHFA v. Goldman Sachs & Co., et al.*, 11 Civ. 6198, and *FHFA v. Credit Suisse Holdings (USA), Inc., et al.*, 11 Civ. 6200 (collectively, the “Tranche 3 Actions”); *FHFA v. HSBC North America Holdings, Inc., et al.*, 11 Civ. 6189, *FHFA v. Barclays Bank PLC, et al.*, 11 Civ. 6190, *FHFA v. First Horizon National Corp., et al.*, 11 Civ. 6193, *FHFA v. Bank of America Corp., et al.*, 11 Civ. 6195, *FHFA v. Nomura Holding America, Inc., et al.*, 11 Civ. 6201, *FHFA v. SG Americas, Inc., et al.*, 11 Civ. 6203, *FHFA v. Morgan Stanley, et al.*, 11 Civ. 6739, and *FHFA v. Ally Financial, Inc., et al.*, 11 Civ. 7010 (collectively, the “Tranche 4 Actions”)

Dear Judge Cote:

On behalf of Plaintiff Federal Housing Finance Agency (“FHFA”), we write to update the Court on the status of the production, identification, and stipulation of Loan Files and Guidelines in the Tranche 3 and 4 Actions, pursuant to the Supplemental Expert Scheduling Order dated February 27, 2013 (the “Supplemental ESO”).¹

Status of Sample Loan File Production

The status of Sample Loan File production to date in the Tranche 3 and 4 Actions is as follows:²

Action	Tranche	Securitizations	Original Sample Loans	Supp. Sample Loans	Total Sample Loans	Total Loan Files Produced and Identified
Credit Suisse	3	43	4,900	624	5,524	5,006
Deutsche Bank	3	40	4,700	800	5,500	5,035
Goldman Sachs	3	40	4,000	1,012	5,012	4,344
Morgan Stanley	4	33	3,400	704	4,104	3,579
BOA	4	23	3,000	376	3,376	3,324

¹ Capitalized terms used in this status report are intended to have the same meaning as defined in the Supplemental ESO.

² These numbers reflect the Sample Loan Files received, processed, and matched by FHFA’s vendor as of October 30, 2013.

The Honorable Denise L. Cote

November 5, 2013

Action	Tranche	Securitizations	Original Sample Loans	Supp. Sample Loans	Total Sample Loans	Total Loan Files Produced and Identified
Ally	4	21	2,100	8	2,108	2,108
HSBC	4	17	1,800	0	1,800	1,800
Barclays	4	8	800	108	908	807
Nomura	4	7	700	96	796	792
First Horizon	4	5	500	0	500	494
SG Americas	4	3	400	0	400	400
Totals	N/A	240	26,300	3,728	30,028	27,689

As reflected in the table above, more than 27,650 out of approximately 30,000 Sample Loan Files—roughly 92 percent—have been identified and produced in the Tranche 3 and 4 Actions. At this time, FHFA believes that it has exhausted its efforts with every potential source from which the Sample Loan Files might be obtained and that third-party discovery efforts are largely completed.

Status of Loan File and Guideline Stipulations

To date, FHFA believes that it has identified a sufficient number of Sample Loan Files for 235 of the 240 Securitizations at issue in the Tranche 3 and 4 Actions, and does not anticipate needing to supplement its samples for those Securitizations.³ Furthermore, FHFA believes that the parties have completed the stipulation process for 222 out of the 240 Securitizations, which are identified on Exhibit 1.⁴

For 13 out of the remaining 18 Securitizations, which are listed on Exhibit 2, FHFA and the Morgan Stanley Defendants request an extension of the deadline for production, identification and stipulation of Loan Files and Guidelines until December 3, 2013. FHFA recently received a third-party production containing Sample Loan Files, and intends to provide Morgan Stanley with proposed stipulations following the processing and review of the Sample Loan Files. Further, the Morgan Stanley Defendants have indicated that they will respond to FHFA's proposed stipulations by November 6, 2013. The parties continue to meet and confer to finalize the stipulations.

As to the final 5 out of 18 Securitizations, which are listed on Exhibit 3, FHFA has not yet identified a sufficient number of Sample Loan Files to complete the stipulation process. With regard

³ If FHFA learns during its continued review of the Sample Loan Files that further supplementation of its sample is necessary, FHFA will notify the relevant parties and inform them of a schedule for completing its supplementation.

⁴ In *Deutsche Bank*, the parties are in the process of exchanging their final round of stipulations for the ACE 2007-SL1 Securitization. The Deutsche Bank Defendants provided their final proposals on Friday, November 1, 2013, and FHFA intends to respond by Friday, November 8, 2013.

The Honorable Denise L. Cote

November 5, 2013

to the AMSI 2005-R10, ARSI 2005-W5, and GSAMP 2005-HE5 Securitizations listed on Exhibit 3, FHFA recently learned, upon its continued review of the Sample Loan Files, that a small, additional supplementation is necessary to complete its sample. FHFA intends to disclose its additional supplementation to Barclays and Goldman Sachs by November 8, 2013, and exchange proposed stipulations shortly thereafter. For the AHMA 2005-1 and FMIC 2005-3 Securitizations at issue in the *Credit Suisse* case, FHFA recently received a third-party production containing the Sample Loan Files, and intends to provide Credit Suisse with proposed stipulations following the processing and review of the Sample Loan Files. As a result, FHFA and the Barclays, Credit Suisse, and Goldman Sachs Defendants request an extension of the deadline for the production, identification, and stipulation of Loan Files and Guidelines for these Securitizations until December 3, 2013.

Additionally, FHFA and the Bank of America Defendants request an extension, until December 3, 2013, of the deadline for the production, identification and stipulation of Loan Files and Guidelines. While the parties have completed finalizing Loan File stipulations, they have not yet resolved certain issues that recently arose relating to Guideline stipulations. During the process of finalizing these stipulations, Bank of America changed its proposals for several hundred proposed Guideline matches to which the parties had already agreed. These last-minute changes included thousands of new Bates ranges, in several instances adding as many as 100 new proposed Guideline stipulations for a single Loan File. FHFA first asked Bank of America to meet and confer about this issue on October 24, 2013; after FHFA's repeated requests, Bank of America met with FHFA by telephone yesterday, November 4, 2013. Bank of America agreed to provide FHFA with additional information regarding these expansive changes and whether it would agree to revert to any of the parties' prior agreed Guideline matches. If the parties are unable to resolve these issues through the meet-and-confer process, FHFA will notify the Court by no later than December 3, 2013 to seek the Court's guidance.

Finally, pursuant to paragraph 5 of the Court's June 11, 2013 Order Amending the Supplemental Expert Scheduling Order for Tranches 3 and 4, FHFA identified the Sample Loans and Supplemental Sample Loans that it currently anticipates re-underwriting for the 222 Securitizations for which it has completed the stipulation process. However, in light of the parties' ongoing stipulation process, FHFA requests an extension for the 18 Securitizations listed in Exhibits 2 and 3 to identify the Sample Loans and Supplemental Sample Loans that it intends to re-underwrite. FHFA and the Barclays, Credit Suisse, Goldman Sachs and Morgan Stanley Defendants have agreed to an extension until December 3, 2013.

Next Steps

Following the completion of the stipulation process in the Tranche 3 and 4 Actions, FHFA intends to submit copies of the parties' stipulated Guidelines and Loan Files to the Court. FHFA requests until November 15, 2013 to submit the parties' stipulated Guidelines and Loan Files in the *Ally*, *Deutsche Bank*, *First Horizon*, *HSBC*, *Nomura*, and *SocGen* cases. In light of the continuing meet-and-confer process in the *Barclays*, *Bank of America*, *Credit Suisse*, *Goldman Sachs*, and *Morgan Stanley* cases, FHFA requests until December 3, 2013 to submit the parties' stipulated Guidelines and Loan Files to the Court.

The Honorable Denise L. Cote

November 5, 2013

FHFA is available to discuss the status of loan identification and matching in the Tranche 3 and 4 cases at the Court's request.

The Honorable Denise L. Cote

November 5, 2013

Respectfully submitted,

/s/ Philippe Z. Selendy

Philippe Z. Selendy
(philippeselendy@quinnemanuel.com)
QUINN EMANUEL URQUHART &
SULLIVAN, LLP
51 Madison Avenue, 22nd Floor
New York, New York 10010
(212) 849-7000

*Attorney for Plaintiff Federal Housing Finance
Agency in FHFA v. Deutsche Bank AG, and
FHFA v. Goldman, Sachs & Co.*

/s/ Christine H. Chung

Christine H. Chung
(christinechung@quinnemanuel.com)
QUINN EMANUEL URQUHART &
SULLIVAN, LLP
51 Madison Avenue, 22nd Floor
New York, New York 10010

*Attorney for Plaintiff Federal Housing Finance
Agency in FHFA v. First Horizon National
Corp., FHFA v. Bank of America Corp., and
FHFA v. Credit Suisse Holdings (USA), Inc.*

/s/ Richard A. Schirtzer

Richard A. Schirtzer
(richardschirtzer@quinnemanuel.com)
Adam Abensohn
(adamabensohn@quinnemanuel.com)
QUINN EMANUEL URQUHART &
SULLIVAN, LLP
51 Madison Avenue, 22nd Floor
New York, New York 10010

*Attorney for Plaintiff Federal Housing Finance
Agency in FHFA v. HSBC North America
Holdings, Inc., and FHFA v. Nomura Holding
America, Inc.*

/s/ Manisha M. Sheth

Manisha M. Sheth
(manishasheth@quinnemanuel.com)
QUINN EMANUEL URQUHART &
SULLIVAN, LLP
51 Madison Avenue, 22nd Floor
New York, New York 10010

*Attorney for Plaintiff Federal Housing Finance
Agency in FHFA v. Barclays Bank PLC*

/s/ Michael A. Hanin

Michael A. Hanin
(mhanin@kasowitz.com)
KASOWITZ, BENSON, TORRES &
FRIEDMAN, LLP
1633 Broadway
New York, New York 10019

*Attorney for Plaintiff Federal Housing Finance
Agency in FHFA v. Ally Financial Inc., FHFA v.
Morgan Stanley, and FHFA v. SG Americas, Inc.*

cc: All Counsel of Record

Production and Stipulation of Loan Files and Guidelines in Tranche 3 and 4

Exhibit 1: (Securitizations for which the stipulation process has been completed and supplementation is not necessary).

No.	Defendant	Securitization
1.	Ally	RALI 2005-QO4
2.	Ally	RALI 2006-QO4
3.	Ally	RALI 2006-QO5
4.	Ally	RALI 2006-QO8
5.	Ally	RALI 2006-QO9
6.	Ally	RALI 2007-QH5
7.	Ally	RAMP 2005-EFC6
8.	Ally	RAMP 2005-EFC7
9.	Ally	RAMP 2005-NC1
10.	Ally	RAMP 2005-RS9
11.	Ally	RAMP 2006-RS1
12.	Ally	RASC 2005-EMX3
13.	Ally	RASC 2005-KS10
14.	Ally	RASC 2005-KS11
15.	Ally	RASC 2006-EMX8
16.	Ally	RASC 2006-EMX9
17.	Ally	RASC 2006-KS3
18.	Ally	RASC 2006-KS9
19.	Ally	RASC 2007-EMX1
20.	Ally	RASC 2007-KS2
21.	Ally	RASC 2007-KS3
22.	Barclays	ARSI 2005-W3
23.	Barclays	ARSI 2006-W2
24.	Barclays	CBASS 2006-CB1
25.	Barclays	CBASS 2007-CB2
26.	Barclays	FHLT 2005-D
27.	Barclays	FHLT 2006-C
28.	BoA	ABFC 2005-WMC1
29.	BoA	ABFC 2006-HE1
30.	BoA	ABFC 2006-OPT1
31.	BoA	ABFC 2006-OPT2
32.	BoA	ABFC 2006-OPT3
33.	BoA	ABFC 2007-WMC1
34.	BoA	BAFC 2006-G
35.	BoA	BAFC 2006-H
36.	BoA	BAFC 2007-A
37.	BoA	BAFC 2007-C
38.	BoA	BOAA 2005-10

The Honorable Denise L. Cote

November 5, 2013

No.	Defendant	Securitization
39.	BoA	BOAA 2005-11
40.	BoA	BOAA 2005-12
41.	BoA	BOAA 2006-1
42.	BoA	BOAA 2006-2
43.	BoA	BOAA 2006-3
44.	BoA	OOMLT 2005-5
45.	BoA	OOMLT 2007-FXD1
46.	BoA	OOMLT 2007-2
47.	BoA	OOMLT 2007-6
48.	BoA	OOMLT 2007-HL1
49.	BoA	NSTR 2007-C
50.	BoA	STALT 2005-1F
51.	Credit Suisse	ABSHE 2005-HE8
52.	Credit Suisse	ABSHE 2006-HE1
53.	Credit Suisse	ABSHE 2006-HE2
54.	Credit Suisse	ABSHE 2006-HE3
55.	Credit Suisse	ABSHE 2006-HE4
56.	Credit Suisse	ABSHE 2006-HE5
57.	Credit Suisse	ABSHE 2006-HE6
58.	Credit Suisse	ABSHE 2006-HE7
59.	Credit Suisse	ABSHE 2007-HE1
60.	Credit Suisse	ABSHE 2007-HE2
61.	Credit Suisse	AMSI 2005-R8
62.	Credit Suisse	AMSI 2005-R11
63.	Credit Suisse	AMSI 2006-R2
64.	Credit Suisse	ARMT 2005-10
65.	Credit Suisse	ARMT 2005-11
66.	Credit Suisse	ARMT 2005-12
67.	Credit Suisse	ARMT 2006-1
68.	Credit Suisse	CSFB 2005-11
69.	Credit Suisse	CSFB 2005-12
70.	Credit Suisse	CSMC 2006-1
71.	Credit Suisse	CSMC 2007-NC1
72.	Credit Suisse	FHLT 2005-E
73.	Credit Suisse	FMIC 2007-1
74.	Credit Suisse	HEAT 2005-7
75.	Credit Suisse	HEAT 2005-8
76.	Credit Suisse	HEAT 2005-9
77.	Credit Suisse	HEAT 2006-1
78.	Credit Suisse	HEAT 2006-3

The Honorable Denise L. Cote

November 5, 2013

No.	Defendant	Securitization
79.	Credit Suisse	HEAT 2006-4
80.	Credit Suisse	HEAT 2006-5
81.	Credit Suisse	HEAT 2006-6
82.	Credit Suisse	HEAT 2006-7
83.	Credit Suisse	HEAT 2006-8
84.	Credit Suisse	HEAT 2007-1
85.	Credit Suisse	HEAT 2007-2
86.	Credit Suisse	HEAT 2007-3
87.	Credit Suisse	HEMT 2006-6
88.	Credit Suisse	INABS 2006-B
89.	Credit Suisse	INABS 2006-C
90.	Credit Suisse	INABS 2006-E
91.	Credit Suisse	NCHET 2006-1
92.	Deutsche Bank	ACE 2005-AG1
93.	Deutsche Bank	ACE 2005-HE6
94.	Deutsche Bank	ACE 2005-HE7
95.	Deutsche Bank	ACE 2005-ASAP1
96.	Deutsche Bank	ACE 2006-ASAP1
97.	Deutsche Bank	ACE 2006-ASAP2
98.	Deutsche Bank	ACE 2006-ASAP3
99.	Deutsche Bank	ACE 2006-ASAP4
100.	Deutsche Bank	ACE 2006-ASAP5
101.	Deutsche Bank	ACE 2006-ASAP6
102.	Deutsche Bank	ACE 2006-CW1
103.	Deutsche Bank	ACE 2006-FM1
104.	Deutsche Bank	ACE 2006-FM2
105.	Deutsche Bank	ACE 2006-HE1
106.	Deutsche Bank	ACE 2006-HE2
107.	Deutsche Bank	ACE 2006-HE3
108.	Deutsche Bank	ACE 2006-HE4
109.	Deutsche Bank	ACE 2006-NC1
110.	Deutsche Bank	ACE 2006-NC2
111.	Deutsche Bank	ACE 2006-NC3
112.	Deutsche Bank	ACE 2006-OP1
113.	Deutsche Bank	ACE 2006-OP2
114.	Deutsche Bank	ACE 2007-ASAP1
115.	Deutsche Bank	ACE 2007-ASAP2
116.	Deutsche Bank	ACE 2007-ASL1
117.	Deutsche Bank	ACE 2007-HE1
118.	Deutsche Bank	ACE 2007-HE2

The Honorable Denise L. Cote

November 5, 2013

No.	Defendant	Securitization
119.	Deutsche Bank	ACE 2007-HE3
120.	Deutsche Bank	ACE 2007-HE4
121.	Deutsche Bank	ACE 2007-HE5
122.	Deutsche Bank	ACE 2007-SL1
123.	Deutsche Bank	ACE 2007-WM1
124.	Deutsche Bank	ACE 2007-WM2
125.	Deutsche Bank	DBALT 2007-OA4
126.	Deutsche Bank	INDX 2005-AR31
127.	Deutsche Bank	INDX 2006-AR9
128.	Deutsche Bank	MHL 2007-1
129.	Deutsche Bank	NCHET 2006-2
130.	Deutsche Bank	NHEL 2007-1
131.	Deutsche Bank	RAST 2005-A15
132.	First Horizon	FHAMS 2005-AA10
133.	First Horizon	FHAMS 2005-AA11
134.	First Horizon	FHAMS 2005-AA12
135.	First Horizon	FHAMS 2005-AA9
136.	First Horizon	FHAMS 2006-AA1
137.	Goldman Sachs	AHMA 2006-1
138.	Goldman Sachs	ACCR 2005-4
139.	Goldman Sachs	FFML 2005-FF11
140.	Goldman Sachs	FFML 2005-FF8
141.	Goldman Sachs	FFML 2006-FF13
142.	Goldman Sachs	FHLT 2006-E
143.	Goldman Sachs	GSAA 2005-11
144.	Goldman Sachs	GSAA 1005-14
145.	Goldman Sachs	GSAA 2005-15
146.	Goldman Sachs	GSAA 2006-11
147.	Goldman Sachs	GSAA 2006-2
148.	Goldman Sachs	GSAA 2006-4
149.	Goldman Sachs	GSAA 2006-5
150.	Goldman Sachs	GSAA 2006-8
151.	Goldman Sachs	GSAA 2007-6
152.	Goldman Sachs	GSAMP 2005-AHL2
153.	Goldman Sachs	GSAMP 2005-HE6
154.	Goldman Sachs	GSAMP 2005-WMC2
155.	Goldman Sachs	GSAMP 2005-WMC3
156.	Goldman Sachs	GSAMP 2006-FM1
157.	Goldman Sachs	GSAMP 2006-FM2
158.	Goldman Sachs	GSAMP 2006-FM3

The Honorable Denise L. Cote

November 5, 2013

No.	Defendant	Securitization
159.	Goldman Sachs	GSAMP 2006-HE3
160.	Goldman Sachs	GSAMP 2006-HE4
161.	Goldman Sachs	GSAMP 2006-HE5
162.	Goldman Sachs	GSAMP 2006-HE7
163.	Goldman Sachs	GSAMP 2006-HE8
164.	Goldman Sachs	GSAMP 2006-NC2
165.	Goldman Sachs	GSAMP 2007-HE1
166.	Goldman Sachs	GSAMP 2007-HE2
167.	Goldman Sachs	GSAMP 2007-FM1
168.	Goldman Sachs	GSAMP 2007-FM2
169.	Goldman Sachs	GSAMP 2007-NC1
170.	Goldman Sachs	GSR 2006-OA1
171.	Goldman Sachs	GSR 2007-AR2
172.	Goldman Sachs	GSR 2007-OA1
173.	Goldman Sachs	GSR 2007-OA2
174.	Goldman Sachs	INDX 2005-AR18
175.	Goldman Sachs	INDX 2005-AR27
176.	HSBC	FFML 2006-FF1
177.	HSBC	FFML 2006-FF11
178.	HSBC	FFML 2006-FF5
179.	HSBC	FFML 2006-FF7
180.	HSBC	FFML 2006-FF9
181.	HSBC	HASC 2005-I1
182.	HSBC	HASC 2006-HE1
183.	HSBC	HASC 2006-HE2
184.	HSBC	HASC 2006-NC1
185.	HSBC	HASC 2006-OPT1
186.	HSBC	HASC 2006-OPT2
187.	HSBC	HASC 2006-OPT3
188.	HSBC	HASC 2006-OPT4
189.	HSBC	HASC 2007-HE1
190.	HSBC	HASC 2007-HE2
191.	HSBC	HASC 2007-OPT1
192.	HSBC	HASC 2007-WF1
193.	Morgan Stanley	MSAC 2006-HE3
194.	Morgan Stanley	MSAC 2006-HE5
195.	Morgan Stanley	MSAC 2006-HE6
196.	Morgan Stanley	MSAC 2006-HE8
197.	Morgan Stanley	MSAC 2006-NC3
198.	Morgan Stanley	MSAC 2006-NC4

The Honorable Denise L. Cote

November 5, 2013

No.	Defendant	Securitization
199.	Morgan Stanley	MSAC 2007-HE1
200.	Morgan Stanley	MSAC 2007-HE5
201.	Morgan Stanley	MSAC 2006-WMC2
202.	Morgan Stanley	MSAC 2007-NC1
203.	Morgan Stanley	MSC 2006-HE2
204.	Morgan Stanley	MSC 2006-NC2
205.	Morgan Stanley	NCHET 2005-B
206.	Morgan Stanley	NCHET 2005-C
207.	Morgan Stanley	NCHET 2005-D
208.	Morgan Stanley	SAST 2005-3
209.	Morgan Stanley	SAST 2006-1
210.	Morgan Stanley	SAST 2006-2
211.	Morgan Stanley	SAST 2007-2
212.	Morgan Stanley	SAST 2007-3
213.	Nomura	NAA 2005-AR6
214.	Nomura	NHELI 2006-FM1
215.	Nomura	NHELI 2006-FM2
216.	Nomura	NHELI 2006-HE3
217.	Nomura	NHELI 2007-1
218.	Nomura	NHELI 2007-2
219.	Nomura	NHELI 2007-3
220.	SocGen	SGMS 2006-FRE1
221.	SocGen	SGMS 2006-FRE2
222.	SocGen	SGMS 2006-OPT2

Production and Stipulation of Loan Files and Guidelines in Tranche 3 and 4

Exhibit 2: (Securitizations for which an extension of the stipulation process until December 3, 2013 is requested and for which supplementation is likely not necessary).

No.	Defendant	Securitization
1.	Morgan Stanley	AMIT 2005-4
2.	Morgan Stanley	MSAC 2005-HE5
3.	Morgan Stanley	MSAC 2005-HE6
4.	Morgan Stanley	MSAC 2007-HE7
5.	Morgan Stanley	MSHEL 2005-4
6.	Morgan Stanley	MSM 2005-10
7.	Morgan Stanley	MSM 2005-7
8.	Morgan Stanley	MSM 2006-2
9.	Morgan Stanley	MSM 2006-16AX
10.	Morgan Stanley	MSM 2007-2AX
11.	Morgan Stanley	MSM 2007-5AX
12.	Morgan Stanley	MSM 2007-7AX
13.	Morgan Stanley	SAST 2007-1

The Honorable Denise L. Cote**November 5, 2013**

Exhibit 3: (Securitizations for which FHFA anticipates that additional supplementation may be necessary).

No.	Defendant	Securitization
1.	Barclays	AMSI 2005-R10
2.	Barclays	ARSI 2005-W5
3.	Credit Suisse	AHMA 2005-1
4.	Credit Suisse	FMIC 2005-3
5.	Goldman Sachs	GSAMP 2005-HE5